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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/747,612	12/30/2003	Phillip Ace McCoppin	201818-0307164	2890
909 7590 08/22/2007 PILLSBURY WINTHROP SHAW PITTMAN, LLP Eric S. Cherry - Docketing Supervisor P.O. BOX 10500 MCLEAN, VA 22102			EXAMINER BAIRD, EDWARD J	
			ART UNIT 3609	PAPER NUMBER
			MAIL DATE 08/22/2007	DELIVERY MODE PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary

Application No.

10/747,612

Applicant(s)

MCCOPPIN ET AL.

Examiner

Ed Baird

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 30 December 2003.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-24 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-24 is/are rejected.
- 7) ☒ Claim(s) 8-12 and 20-24 is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- ☒ Notice of References Cited (PTO-892)
- ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- ☐ Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date _____
- ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____
- ☐ Notice of Informal Patent Application
- ☐ Other: _____

DETAILED ACTION

Claims 1-24 are pending in this application. Claims 1-24 are rejected under 35 U.S.C. 112, 102 (e), and 103.

Specification

1. Applicant's cooperation is requested in correcting any errors of which applicant may become aware in the specification.

Claim Objections

2. **Claims 8-12, and 21-24** are objected to because of the following informality: "the at least one financial institution" definite article is followed by a preposition. Appropriate correction is required.

3. **Claim 20** is objected to because of the following informalities: "the at least one processor" and "the at least one financial institution" definite article is followed by a preposition. Appropriate correction is required.

Claim Rejections - 35 USC § 112

4. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

5. Claims 2-4, 10-12, 14-16, and 22-24 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

6. **Claims 2, 11, 14 and 23** contain the trade name Fedwire. Where a trade name is used in a claim as a limitation to identify or describe a particular material or product, the claim does not comply with the requirements of 35 U.S.C. 112, second paragraph. See *Ex parte Simpson*, 218 USPQ 1020 (Bd. App. 1982). The claim scope is uncertain since the trade name cannot be used properly to identify any particular material or product. A trade name is used to identify a

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source of goods, and not the goods themselves. Thus, a trade name does not identify or describe the goods associated with the trade name. In the present case, the trade name is used to describe a mechanism that provides guaranteed funding of transactions and, accordingly, the description is indefinite.

7. **Claims 3, 4, 12, 15, 16, and 24** contain the trade name SWIFT. In the present case, the trade name describes a communications network that provides a secure payment and messaging protocol and, accordingly, the description is indefinite.

8. Claims 3 and 15 are also unclear as to the whether the format is compatible with the Receiver Financial Institution and another financial institution, or whether the format is SWIFT compatible with the Receiver Financial Institution.

For purposes of examination, claims 3 and 15 are interpreted to read: . . . wherein the foreign financial transaction payment instructions are SWIFT compatible with the Receiver Financial Institution.

9. **Claims 10 and 22** contain trade name ClearingHouse Interbank Payment System. In the present case, the trade name is used to describe a system for clearing payments and, accordingly, the description is indefinite.

Claim Rejections - 35 USC § 102

10. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this office action:

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

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11. Claims 1, 5, 6, 8, 9, 13, 17, 18, 20, and 21 are rejected under 35 U.S.C. 102 (b) as being anticipated by Harada, et al (US Pub No. 2003/0208440).

12. Regarding **claim 1**, Harada teaches a international payment method / system which:

- receives financial transaction payment instructions from a Client Bank in a format associated with a mechanism that provides guaranteed funding of the transaction to a Receiver Financial Institution;

Harada further discloses "In a typical international payment transaction payment transaction, a customer transfers money from a source account in one country to a destination account in another country. The source account is typically held by a local institution, which may be a local bank, a local branch of a national bank, or other locally accessible financial institution. When the customer orders an international payment transaction, the order is initially placed at the institution holding the customer's source account. The source financial institution typically has a relationship with a correspondent bank, Regional Clearing House, or other financial institution. The correspondent bank or Regional Clearing House, in turn, has direct relationships with other banks and financial institutions in the destination country, and can provide additional services such as currency exchange transactions and account verification. A similar network of relationships usually exists in the destination country, thus creating a chain of financial institutions from the local institution where the payment originates to **the institution in the destination country** where the beneficiary's account is located", [paragraph 0005]. Examiner interprets the source financial institution as Applicant's Receiver Financial Institution. Examiner interprets **the institution in the destination country** as Applicant's Client Bank.

- analyzes the received financial transaction payment instructions; and

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Examiner interprets additional services such as currency exchange transactions and account verification as the Applicant's analyzing the received financial transaction payment instructions.

- generates foreign financial transaction payment instructions for at least one financial institution in a foreign country, the foreign financial transaction payment instructions including data in a format that is compatible with both the Receiver Financial Institution and the at least one financial institution in a foreign country.

Harada discloses: "the present invention is a system and method for ordering, pricing, processing, and executing international payment transactions. More specifically, the invention is directed to a system and method for moving funds from a source account in one country to a destination account held in another country . . .", [paragraph 0010].

13. Regarding **claim 5 and 17**, Harada teaches a method wherein the Client Bank is a domestic bank:

Harada discloses: "An international payment system, where a payment instruction is communicated from a customer in one country to a local currency account in another country. A payment is then provided from the local currency account to a destination/beneficiary account of an intended beneficiary. Separately, a payment request is communicated to a funds account to ensure that sufficient funds to cover the payment are provided to a treasury account. The funds at the treasury account may be exchanged for the foreign currency of the local currency account, and payment made to the local currency account either by transferring funds directly to it, or by providing a credit entry in a general ledger on behalf of the local currency account in the first country", [Abstract]. Harada further discloses: "FIG. 2 represents a conventional international payment system structure. Current systems typically utilize a network of correspondent banks to move money from a customer to a beneficiary. These correspondent banking transactions can be viewed as a series of credits and debits, starting at the originating

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bank and ending at the destination bank, where the originating bank is in a first market 210 that may be one country and the destination bank is in a second market 218 that may be in another country . . . " [paragraph 0040 and Figure 2]. Examiner interprets that the originating bank and destination bank as being a domestic bank and a foreign bank, interchangeably, as well as being a Client Bank and a Receiver Financial Institution, interchangeably.

14. Regarding **claims 6 and 18**, Harada teaches a method wherein the financial transaction is self-funding.

Harada discloses: "the present invention provides an international payment system, where a payment instruction is communicated from a customer/user in one country to a local currency account in another country. A payment is then provided from the local currency account to a beneficiary account of an intended beneficiary. Separately, a payment request is communicated to a funds account to ensure that sufficient funds to cover the payment are provided to a treasury account" [paragraph 0078].

15. Regarding **claim 8 and 20**, Harada teaches a method of transmitting foreign financial transaction payment instructions to a financial institution in the foreign country. Harada discloses this in the Abstract, paragraph [0040], and Figure 2 as presented in the rejection of claims 5 and 17, above.

16. Regarding **claim 9 and 21**, Harada teaches a method of processing payment instructions wherein a financial institution in the foreign country includes a branch of the Receiver Financial Institution that generated and transmitted the foreign financial transaction payment instructions. Harada discloses this in the Abstract, paragraph [0040], and Figure 2 as presented in the rejection of claims 5 and 17, above. Examiner interprets that a financial institution in a foreign country has branches in foreign countries.

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17. **Claim 13** describes an article (i.e. mechanism) which is parallel to the method described in claim 1. Therefore, claim 13 is rejected for the same reasons as claim 1.

Claim Rejections - 35 USC § 103

18. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

19. Claims 2, 3, 7, 10, 12, 14, 15, 19, 22, and 24 are rejected under 35 U.S.C. 103 (a) as being unpatentable over **Harada**, et al (US Pub No. 2003/0208440) in view of **Lawrence** (US Pub No. 2003/0233319).

20. Regarding **claim 2 and 14**, Harada teaches a mechanism that provides guaranteed funding of the transaction to a Receiver Financial Institution. Harada discloses: "... a payment request is communicated to a funds account to ensure that sufficient funds to cover the payment are provided to a treasury account. The funds at the treasury account may be exchanged for the foreign currency of the local currency account, and payment made to the local currency account either by transferring funds directly to it, or by providing a credit entry in a general ledger on behalf of the local currency account", [paragraph 0078]. Examiner interprets the local currency account as Applicant's Receiver Financial Institution.

Harada does not disclose Fedwire as providing funding guarantee of the transaction.

However, Lawrence discloses: "Electronic transfer of money has become increasingly popular in the marketplace. For example, the U.S. Federal Reserve provides a funds transfer service as well as a securities related custodial and transfer service, generally referred to as

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'Fedwire'. The volume of transactions performed by Fedwire more than doubled since 1988 to over 112 million transactions in 2001", [paragraph 0003]. Examiner interprets "funds transfer service" and "custodial and transfer service" to include Applicant's providing guaranteed funding of transactions.

Lawrence further discloses: "A depository institution that maintains a reserve or clearing account with a Federal Reserve Bank may use Fedwire to send payments to, or receive payments from, other account holders directly. Other transfers can include SWIFT, FUNDS, CHIPS, National Automated Clearinghouse Association (NACHES) formatted transfers, or other electronic or wire transfer platform", [paragraph 0023].

Therefore, it would have been obvious to a person having an ordinary skill in the art at the time of the invention for Harada to include Fedwire as disclosed by Lawrence because Fedwire is well known in the art as being the electronic funds transfer service provided by the U.S. Federal Reserve that performs a large volume of transactions.

21. Regarding **claim 3 and 15**, Harada does not disclose a method which has payment instructions which are SWIFT compatible with the Receiver Financial Institution.

However, Lawrence teaches a method which has payment instructions which are SWIFT compatible with the Receiver Financial Institution. Lawrence discloses this in paragraph [0023] of his document as presented above.

Therefore, it would have been obvious to a person having an ordinary skill in the art at the time of the invention for Harada to include SWIFT as disclosed by Lawrence because SWIFT is well known in the art as being an international electronic funds transfer messaging service that performs a large volume of transactions.

22. **Claims 7 and 19** are not substantially different from claims 2 and 14, respectively, and are therefore rejected for the same reasons.

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23. Regarding **claim 10 and 22**, Harada does not disclose a method wherein a financial institution in the foreign country includes a member of the ClearingHouse Interbank Payment System.

However, Lawrence teaches a method wherein a financial institution in the foreign country includes a member of the ClearingHouse Interbank Payment System. Lawrence discloses this in paragraph [0023] as presented above. Examiner notes that CHIPS is an abbreviation for Clearing House Interbank Payment System.

Therefore, it would have been obvious to a person having an ordinary skill in the art at the time of the invention for Harada to include CHIPS as disclosed by Lawrence because CHIPS is well known in the art as being an international wire transfer system that performs high-value transactions passed between banks.

24. Regarding **claim 12 and 24**, Harada teaches all the items of claim 8 and 20, the claims upon which they depend, respectively. Harada does not disclose using a correspondent bank to handle business in a particular geographic area.

Lawrence discloses a method of a financial institution in the foreign country using a SWIFT-connected correspondent bank to generate and transmit the foreign financial transaction payment instructions to the Receiver Financial Institution as discussed in the 35 USC 103 rejection of claims 3 and 15, above.

Lawrence teaches using a correspondent bank to handle business in a particular geographic area. Lawrence discloses: "the present invention relates to a computerized system and method for banks, non-bank financial institutions and any other entity involved in financial transactions to access information compiled on a worldwide basis and relate such information to a risk variable, such as a political or geographic area involved in a wire transfer, wherein the

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information is conducive to quantifying and managing financial, legal, regulatory and reputational risk associated with the transaction", [paragraph 0002].

Therefore, it would have been obvious to a person having an ordinary skill in the art at the time of the invention for Harada to include a computerized system for banks to handle businesses in a particular geographic area because transaction risk could be better managed based on political or legal issues involving financial transactions.

25. Claims 4 and 16 are rejected under 35 U.S.C. 103 (a) as being unpatentable over **Harada, et al** (US Pub No. 2003/0208440) in view of **Lawrence** (US Pub No. 2003/0233319) in further view of **SWIFT.com** ("MT 103 migration – a success for the whole community", home page stories archive 2003, posted 11/21/2003).

26. Regarding **claims 4 and 16**, Harada and Lawrence teach all the items of claims 2 and 14, the claims upon which these claims depend, respectively, but do not teach foreign financial transaction payment instructions which comply with SWIFT MT 103 specifications (i.e. messaging standards).

However, SWIFT.com teaches about foreign financial transaction payment instructions which comply with SWIFT MT 103 messaging standards. SWIFT.com discloses "The weekend of 15-16 November saw two significant events in SWIFT's history. The first was the removal of the MT 100, SWIFT's most-used message, from the network. To enable this to happen, migration to the MT 103 needed a successful completion and this was achieved with a 98% migration rate on the last working day before the deadline", [2nd paragraph].

Therefore, it would have been obvious to a person having an ordinary skill in the art at the time of the invention for Harada and Lawrence to include SWIFT MT 103 specifications as

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disclosed by SWIFT.com because its use would increase certainty, transparency, and automation (STP) of customer transfers as well as reduced cost, reduced risk, and conform to worldwide regulatory requirements.

27. Claims 11 and 23 are rejected under 35 U.S.C. 103 (a) as being unpatentable over **Harada**, et al (US Pub No. 2003/0208440) in view of **Knight**, et al (US Pub No. 2001/0034682).

28. Regarding **claim 11 and 23**, Harada teaches all the items of claims 8 and 20, the claims upon which claims 11 and 23 depend, respectively, but do not teach foreign financial transaction payment instructions wherein the at least one financial institution in the foreign country includes a member of the Fedwire funds transfer system.

Knight discloses: "... the customers can be located in a foreign country and desiring a payment into the U.S. or in the U.S. and desiring a payment into a foreign country. Alternatively, the system depicted in FIG. 3 can be used for a foreign country to a foreign country payment. Once one or more payment transactions have been received by client bank 100, they are formatted into a multiple transaction format and transmitted to provider bank 120 in file 310. The format of the payments in file 310 are such that multiple payment types and currencies are capable of being included in a single file 310. This includes Clearing House Interbank Payment System (CHIPS) format, FedWire, book, U.S. domestic ACH payments, and Euro or other foreign currency payments", [paragraph 0035].

Therefore, it would have been obvious to a person having an ordinary skill in the art at the time of the invention for Harada to include Knight's system and method of transferring funds to a bank in a foreign country using Fedwire. Fedwire is an old and well-established system of guaranteeing transfers which is owned and operated by the Federal Reserve Bank. Using

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Fedwire would greatly increase the number of financial institutions which could use the invention of Harada.

Cited Prior Art

29. The prior art of record and not relied upon is considered pertinent to Applicant's disclosure. Almonte, et al: "System and Method for Facilitating Electronic Transfer of Funds", (US Pub No. 2003/0236726); Shah: "Using the Dollar-Based Global Payments System Optimally", Journal of Cash Management, Bethesda, Jul/Aug 1992, Vol. 12, Iss. 4, pg 49, 5 pgs.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Ed Baird whose telephone number is (571) 270-3330. The examiner can normally be reached on Monday - Thursday 7:30 am - 5:00 pm Eastern Time.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Akm Ullah can be reached on (571) 272-2361. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

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Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

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